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DEPARTMENT OF REVENUE TO CONDUCT DIESEL FUEL COMPLIANCE CHECKS IN BEDFORD COUNTY

NASHVILLE, Tenn. — The Special Investigations Division of the Tennessee Department of Revenue will be conducting roadside diesel fuel compliance checks in Bedford County during daylight hours for the week of August 25 through August 29, 2003.

The purpose of these compliance checks is to make sure that no untaxed dyed diesel fuel is being used in vehicles operated on the public highways. When red dye is placed in diesel fuel, this dye indicates that no tax has been paid on the fuel. Under Tennessee law, it is illegal to use dyed diesel fuel in a licensed motor vehicle or in a vehicle actually used on the public highways. Penalties for the first violation of this law are the greater of \$1,000 or \$10 per gallon of dyed diesel fuel involved.

"Dyed diesel fuel is sold at approximately 43 cents per gallon cheaper than clear diesel fuel because it is sold without the state and federal tax. It is important that our Department ensure the untaxed fuel is not being used in ways prohibited by Tennessee law," said Revenue Commissioner Loren L. Chumley.

The Department of Revenue collects approximately 92 percent of total state tax revenue. During the 2002-2003 fiscal year, the department collected \$8.4 billion in state taxes and fees. In addition to collecting state taxes, \$1.5 billion of local sales tax was collected by the department for local governments during the 2002-2003 fiscal year. Besides collecting taxes, the department enforces the revenue laws fairly and impartially in an effort to encourage voluntary taxpayer compliance. The department also apportions revenue collections for distribution to the various state funds and local units of government. To learn more about the department, log onto www.Tennessee.gov/revenue.

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